



General Assembly

January Session, 2005

Raised Bill No. 6805

LCO No. 3970

03970_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT CONCERNING THE RENEWAL OF INSURANCE PRODUCER LICENSES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-784 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2005*):

3 (a) [Any] (1) Except as provided in subdivision (2) of this
4 subsection, any license issued [for] to an insurance producer by the
5 commissioner shall be in force only until the first day of February in
6 each even-numbered year, but may be renewed by the commissioner
7 [.] in accordance with this section.

8 (2) On and after January 1, 2007, any license issued to an insurance
9 producer by the commissioner shall be in force only until the
10 producer's birthday and may be renewed every two years thereafter, in
11 accordance with this section and the schedule adopted by the
12 commissioner pursuant to this section, except that the initial license
13 issued to an insurance producer on or after January 1, 2007, shall
14 expire two years after the date of the producer's birthday that
15 preceded the date the license was issued. Not later than thirty days

16 before a license issued to a producer expires, the commissioner shall
17 notify the producer of the expiration date.

18 (3) The fees for producer licenses and agent appointments shall be
19 assessed biennially as provided in section 38a-11, as amended by this
20 act.

21 (4) Any license issued to an insurance producer may be renewed in
22 the commissioner's discretion and without formality other than proper
23 application, payment of the renewal fee set forth in section 38a-11, as
24 amended by this act, and satisfactory proof that such applicant at that
25 time possesses the required qualifications for license and that the
26 issuance of such license will not be contrary to the licensing provisions
27 of this title, provided any producer's license issued by the
28 commissioner, except a temporary producer's license provided for in
29 section 38a-702j, shall continue in force until cancelled, suspended or
30 revoked and provided the insurance company represented by any
31 licensee or licensees shall furnish the commissioner, prior to May first,
32 biennially, the names of its agents whose appointments it wishes to
33 continue. [The fees for producer licenses and agent appointments shall
34 be assessed biennially as provided in section 38a-11.]

35 (5) Not later than January 1, 2007, the commissioner shall adopt
36 regulations, in accordance with chapter 54, to establish a schedule for
37 the renewal of licenses under this section. The commissioner may
38 adopt regulations, in accordance with chapter 54, to establish a
39 transitional schedule to be in effect until January 1, 2007, to transition
40 from a February first renewal date to a birthday-based renewal date.

41 (b) Prior to May first of even-numbered years insurance companies
42 represented by any licensees shall furnish the commissioner with the
43 names of its agents whose appointments they wish to continue.

44 (c) The commissioner may implement a plan of renewal for agent
45 licenses and appointments that provides for a more efficient process.
46 Upon implementation of such a process by the commissioner, the

47 procedures outlined in subsections (a) and (b) of this section shall be
48 superseded.

49 (d) Any insurance company which cancels or nonrenews an
50 appointment of any agent or any agency shall notify the Insurance
51 Department, the agent and the agency, in writing, within thirty days of
52 any such cancellation or nonrenewal. Any termination of an agent
53 appointment shall be on a form as prescribed by the commissioner.
54 Nothing in this subsection shall alter the requirements specified in
55 section 38a-709.

56 (e) Any insurance producer license may be renewed by the
57 commissioner, provided such applicant has satisfied the continuing
58 education requirements [pursuant to] set forth in section 38a-782a.

59 Sec. 2. Subsection (a) of section 38a-11 of the general statutes is
60 repealed and the following is substituted in lieu thereof (*Effective*
61 *January 1, 2006*):

62 (a) The commissioner shall demand and receive the following fees:
63 (1) For the annual fee for each license issued to a domestic insurance
64 company, one hundred dollars; (2) for receiving and filing annual
65 reports of domestic insurance companies, twenty-five dollars; (3) for
66 filing all documents prerequisite to the issuance of a license to an
67 insurance company, one hundred seventy-five dollars, except that the
68 fee for such filings by any health care center, as defined in section 38a-
69 175, shall be one thousand one hundred dollars; (4) for filing any
70 additional paper required by law, fifteen dollars; (5) for each certificate
71 of valuation, organization, reciprocity or compliance, twenty dollars;
72 (6) for each certified copy of a license to a company, twenty dollars; (7)
73 for each certified copy of a report or certificate of condition of a
74 company to be filed in any other state, twenty dollars; (8) for
75 amending a certificate of authority, one hundred dollars; (9) for each
76 license issued to a rating organization, one hundred dollars. In
77 addition, insurance companies shall pay any fees imposed under
78 section 12-211; (10) a filing fee of twenty-five dollars for each initial

79 application for a license made pursuant to section 38a-769; (11) with
80 respect to insurance agents' appointments: (A) A filing fee of twenty-
81 five dollars for each request for any agent appointment; (B) a fee of
82 forty dollars for each appointment issued to an agent of a domestic
83 insurance company or for each appointment continued; and (C) a fee
84 of twenty dollars for each appointment issued to an agent of any other
85 insurance company or for each appointment continued, except that no
86 fee shall be payable for an appointment issued to an agent of an
87 insurance company domiciled in a state or foreign country which does
88 not require any fee for an appointment issued to an agent of a
89 Connecticut insurance company; (12) with respect to insurance
90 producers: (A) An examination fee of seven dollars for each
91 examination taken, except when a testing service is used, the testing
92 service shall pay a fee of seven dollars to the commissioner for each
93 examination taken by an applicant; (B) a fee of forty dollars for each
94 license issued; and (C) a fee of forty dollars per year, or any portion
95 thereof, for each license renewed; (13) with respect to public adjusters:
96 (A) An examination fee of seven dollars for each examination taken,
97 except when a testing service is used, the testing service shall pay a fee
98 of seven dollars to the commissioner for each examination taken by an
99 applicant; and (B) a fee of one hundred twenty-five dollars for each
100 license issued or renewed; (14) with respect to casualty adjusters: (A)
101 An examination fee of ten dollars for each examination taken, except
102 when a testing service is used, the testing service shall pay a fee of ten
103 dollars to the commissioner for each examination taken by an
104 applicant; (B) a fee of forty dollars for each license issued or renewed;
105 and (C) the expense of any examination administered outside the state
106 shall be the responsibility of the entity making the request and such
107 entity shall pay to the commissioner one hundred dollars for such
108 examination and the actual traveling expenses of the examination
109 administrator to administer such examination; (15) with respect to
110 motor vehicle physical damage appraisers: (A) An examination fee of
111 forty dollars for each examination taken, except when a testing service
112 is used, the testing service shall pay a fee of forty dollars to the

113 commissioner for each examination taken by an applicant; (B) a fee of
114 forty dollars for each license issued or renewed; and (C) the expense of
115 any examination administered outside the state shall be the
116 responsibility of the entity making the request and such entity shall
117 pay to the commissioner one hundred dollars for such examination
118 and the actual traveling expenses of the examination administrator to
119 administer such examination; (16) with respect to certified insurance
120 consultants: (A) An examination fee of thirteen dollars for each
121 examination taken, except when a testing service is used, the testing
122 service shall pay a fee of thirteen dollars to the commissioner for each
123 examination taken by an applicant; (B) a fee of two hundred dollars for
124 each license issued; and (C) a fee of one hundred twenty-five dollars
125 for each license renewed; (17) with respect to surplus lines brokers: (A)
126 An examination fee of ten dollars for each examination taken, except
127 when a testing service is used, the testing service shall pay a fee of ten
128 dollars to the commissioner for each examination taken by an
129 applicant; and (B) a fee of five hundred dollars for each license issued
130 or renewed; (18) with respect to fraternal agents, a fee of forty dollars
131 for each license issued or renewed; (19) a fee of thirteen dollars for
132 each license certificate requested, whether or not a license has been
133 issued; (20) with respect to domestic and foreign benefit societies shall
134 pay: (A) For service of process, twenty-five dollars for each person or
135 insurer to be served; (B) for filing a certified copy of its charter or
136 articles of association, five dollars; (C) for filing the annual report, ten
137 dollars; and (D) for filing any additional paper required by law, three
138 dollars; (21) with respect to foreign benefit societies: (A) For each
139 certificate of organization or compliance, four dollars; (B) for each
140 certified copy of permit, two dollars; and (C) for each copy of a report
141 or certificate of condition of a society to be filed in any other state, four
142 dollars; (22) with respect to reinsurance intermediaries: A fee of five
143 hundred dollars for each license issued or renewed; (23) with respect
144 to viatical settlement providers: (A) A filing fee of thirteen dollars for
145 each initial application for a license made pursuant to section 38a-465a;
146 and (B) a fee of twenty dollars for each license issued or renewed; (24)

147 with respect to viatical settlement brokers: (A) A filing fee of thirteen
148 dollars for each initial application for a license made pursuant to
149 section 38a-465a; and (B) a fee of twenty dollars for each license issued
150 or renewed; (25) with respect to viatical settlement investment agents:
151 (A) A filing fee of thirteen dollars for each initial application for a
152 license made pursuant to section 38a-465a; and (B) a fee of twenty
153 dollars for each license issued or renewed; (26) with respect to
154 preferred provider networks, a fee of two thousand five hundred
155 dollars for each license issued or renewed; (27) with respect to rental
156 companies, as defined in section 38a-799, a fee of forty dollars for each
157 permit issued or renewed; and (28) with respect to each duplicate
158 license issued a fee of twenty-five dollars for each license issued.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2005</i>	38a-784
Sec. 2	<i>January 1, 2006</i>	38a-11(a)

Statement of Purpose:

To (1) change the renewal timeframes for insurance producers so that licenses renew on the producer's birthday rather than on the first day of February in each even-numbered year, and (2) change the insurance producer license fee from forty dollars for every two-year period to forty dollars for every year or portion thereof.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]